

Approved: April 17, 2007

Minutes – KHPA Board Meeting of March 20, 2007, Eisenhower State Bldg, 4th Floor Conf Rm B, Topeka KS

Board Members Absent:

- Susan Page
- Dr. Howard Rodenberg

All Remaining Board Members Present

Board Staff Present:

- Dr. Marcia J. Nielsen, Executive Director
- Dr. Andrew Allison, Deputy Director
- Scott Brunner, Chief Financial Officer

Legal Counsel Present

- H. Philip Elwood

Call to Order – Welcome by Connie Hubbell, Board Chair

Chair Hubbell called the meeting to order and reviewed today's agenda.

Review and Approval of Minutes. The minutes from the February 20, 2007, KHPA Board meeting had been previously distributed and reviewed by the Board members.

ACTION: A motion was made, seconded and passed to approve these minutes as printed.

Revised 2007 Board Meeting Proposed. A revised meeting schedule for the remaining 2007 Board meetings was reviewed; which included the cancellation of the July, October and December 2007 meetings. All remaining monthly meeting dates for 2007 would remain unchanged. The Board would then meet monthly again in January, February, March and April 2008.

- **ACTION:** A motion was made, seconded and carried to approve this revised meeting schedule. The July, October and December 2007 meetings will be cancelled; and additional updates will be made available to the Board via email messages.

Introductions/Legislative Updates/Announcements by Dr. Marcia J. Nielsen, Executive Director

Introduction of new KHPA Council Manager. Janis DeBoer was introduced to the Board members, who joined KHPA on March 19, 2007, as the Manager of the Health Reform Advisory Councils. For the past ten years prior to joining KHPA, Janis had served as Deputy Secretary of the Kansas Department on Aging.

Legislative Testimony/Bills of Interest to KHPA. Dr. Nielsen summarized the topics of recent testimony presented during the past month as well as bills of interest to the agency which included:

- SB 243, Expansion of Health Insurance Coverage to Young Adults, testimony provided on 2-21-07
- SB 309, Enacting KS Health Care connector, testified on 2-19, 2-20-07, and 3-2-07
- SB 373, Medicaid Inspector General, testimony provided on 3-15-07
- Report on HealthWave Enrollment, testified on 3-15-07
- HB 2367, Imposing certain prohibitions on receipt of public benefits
- HB 2418, Concerning the definition of general hospital

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- Substitute for SB 323, Technical Edits for KHPA
- SB 373, Establishing the office of inspector general

In addition to the legislative review of KHPA testimony and bills, Secretary Kathy Greenlee reported that Department on Aging and SRS had worked together to develop HB 2236, which establishes a mental health demonstration grant for senior adults. Secretary Greenlee suggested that an overview of the Mental Health Programs in Kansas be presented to an upcoming KHPA Board meeting, to be presented in collaboration with Aging and SRS.

- **ACTION:** It was agreed by the Board members to hear this presentation at either the May or the June KHPA Board meeting.

March 13th Presentation by Dr. Len Nichols. Dr. Len Nichols, Director with the New America Foundation, had been in Topeka on March 13th to make several public presentations on options to expand health insurance coverage to include a health connector model, health reform, and premium assistance. He spoke to the members of the KHPA Health For All Kansans Steering Committee, the KHPA Board members, as well as a number of legislators and the general public. He later met with key legislators and the Governor and staff. A copy of his presentation was briefly reviewed and summarized by Dr. Nielsen.

KHPA All Staff Meeting Held. Dr. Nielsen reported that the quarterly KHPA All Staff Town Hall meeting had been held on March 13th and that it had been well-attended. Overviews of various programs were provided to staff, with an open Question and Answer session at the end of the meeting. The next All Staff Town Hall meeting is scheduled for June 12, 2007.

Report by Dr. Andrew Allison, Deputy Executive Director and Acting Director of Medicaid and HealthWave Programs

New Citizenship and Identity Verification Requirements. A lengthy discussion was held among Board members regarding the backlog of Medicaid enrollment, due to the federal citizenship and identity requirements implemented on July 1, 2006. Dr. Allison reported that managing the backlog of enrollment forms for families who have applied for Medicaid benefits and helping those individuals receive needed health services while working through the enrollment process remain to be a critical issue. Dr. Nielsen added that she and other KHPA officials had shared this information with the Congressional delegation as well as the CMS officials in Maryland last month in hopes that consideration be given to revising this federal legislation. Dr. Allison advised that, even with the additional funding and staff requested in the KHPA Supplemental FY 2007 request, it will still take a number of months to resolve the situation. Dr. Mills suggested that a written notice be sent to Medicaid providers to advise them of the current situation and options that are available to these individuals.

- **ACTION:** Dr. Nielsen responded that she and her staff had been working with the medical associations, to make that information available on their websites; but she also agreed that a letter to providers will be distributed within the month and will work with Dr. Mills on the content of the letter.

The suggestion was then made for Chair Hubbell to contact the Governor, on behalf of the KHPA Board, to ask for assistance in calling out this specific issue once again with the federal officials and possibly work through the National Governor's Association (NGA) to mobilize additional leaders from other states, as this new federal requirement has had a tremendous impact on a number of states and their enrollment processes.

- **ACTION:** Chair Hubbell responded that she will work with Dr. Nielsen and Dr. Allison to follow up with the Governor's Office within the next two weeks and report back to the Board on the results of this contact.

Dr. Allison closed this discussion by briefly reviewing the Fact Sheets on Medicaid and SCHIP with the Board. These documents provide a brief overview of each of these programs and are available on the KHPA website: www.khpa.ks.gov.

- **ACTION:** Dr. Nielsen added that Dr. Allison had completed an analysis of the President's budget, as it relates to the SCHIP funding, and that a copy of this analysis would be sent to the Board members.

Medicaid Managed Care – Strengthening Operations. Even though the recent transition of Medicaid Managed Care contracts had been successful, Dr. Allison advised that work continues with the Managed Care

Organizations (MCO) and providers to ensure the promptness and accuracy of claims processing, network development, responsiveness to customer inquiries, and other on-going areas of review. There was a short discussion among the Board regarding access of services by customers, MCO representation and customer service response.

- **ACTION:** It was requested that an update on this issue be provided at the June Board meeting to include a copy of a map of Kansas which indicates the provider networks, locations of providers, etc.

Report on Disproportionate Share for Hospitals (DSH). Work continues with KHPA, Kansas hospitals, and associations to target DSH hospital payments to those facilities serving patients with Medicaid benefits. Meetings have been held with an advisory group to include hospitals to develop specific proposals to DSH reform. Proposals will then be brought back to the larger association group by way of regular meetings. Dr. Nielsen added that all changes made to the DSH payment distribution will be made using this process.

Draft Legislative Study: The Definition and Impact of Specialty Hospitals in Kansas. The initial draft study had been reviewed at the February Board meeting, and a number of revisions were requested before Board approval would be granted to distribute to the 2007 Legislature. As a result, a request to extend the legislative deadline of March 1st to March 21st was subsequently granted by the legislative committee, to allow KHPA staff the opportunity to make the revisions and resubmit to the Board for their review at the March Board meeting. Copies of the newly-revised draft study on Specialty Hospitals in Kansas was again distributed and reviewed by the Board.

- **ACTION:** A motion was made to approve this legislative report with the recommended changes of: 1) deletion of the last two paragraphs on first page, under "Introductions"; 2) deletion of the first paragraph on last page, under "Recommendations". Motion died.
- **ACTION:** After further discussion among Board members, it was recommended that this legislative study be revised as described: 1) delete the last two paragraphs under "Introductions", on first page; 2) do not delete the first paragraph under "Recommendations" on last page, but instead move that paragraph as part of the "Discussion" portion, on last page of report. An amended motion was made, seconded and carried to adopt this legislative study as amended.

Report by Scott Brunner, Chief Financial Officer

Review of Expenditure Report and Performance Summaries. The KHPA FY 2007 expenditure report which outlined expenditures through February 2007 was reviewed by the Board members. This included expenditures in the areas of Assistance, Administration, Funding, and the State Employees Health Benefits program. There was a brief discussion regarding the additional staff for KHPA authorized by the 2007 Legislature and the process of recruiting and hiring that number of individuals (approximately 30). Mr. Brunner advised that, until the funding is actually received, the plans are to recruit for these additional positions but not actually offer any of these positions until at least the end of April. There were several inquiries regarding the reporting authority and the duties of the Inspector General position within KHPA. It was suggested that the definition of duties be kept general, but to include an internal audit function, and that this position report directly to the KHPA Board.

KHPA Health Reform Issues by Joe Tilghman, Chair of Health For All Kansans Steering Committee

Health For All Kansans Steering Committee. An update on the work of this steering committee was provided by Chair Tilghman. Members of the steering committee included: Dr. Marcia Nielsen, Dean Gail Agrawal, Senator Jim Barnett, Secretary Rod Bremby, Representative Jeff Colyer, Troy Findley, Ned Holland, Senator Laura Kelly, Dr. Vernon Mill, Susan Page, Sandy Praeger, Joe Tilghman, Dr. Andy Tompkins, and Representative Valdenia Winn.

Actions taken by the Steering Committee. Five meetings had been held in February and March, to develop a legislative package of policy proposals which would be introduced yet in the 2007 Legislature. In addition, the steering committee members were tasked with the development and endorsement of "enabling" legislation, for enactment by the 2008 Legislature. The last meeting held by the steering committee had been March 19th, at which time a final review and approval was given to the proposed health reform legislative package, and also approval was given to endorse the enabling legislation, Substitute for SB 309.

Legislative Health Reform Package. A copy of the legislative proposals and a copy of the Substitute for SB 309 were distributed for the Board's review. These proposals included: 1) Early detection and screening for newborns; 2) Medicaid outreach and enrollment expansion; 3) Consider DRA (Deficit Reduction Act)

flexibilities; 4) Cover Kansas pregnant women, children and/or low-families through Premium Assistance; 5) Promote price and quality transparency; and 6) Increase Health Information Technology/Exchange (HIT/HIE). Additional Comments. Secretary Rod Bremby noted that the proposal relating to the expansion of newborn screenings had already been successful in other legislative channels. Secretary Don Jordan commented that the proposal related to DRA flexibilities was written very broadly and that a close review should be given to the suggestion of moving additional waiver services into the State Plan process. Several Board members commented on the significance of Medicaid outreach. Chair Tilghman noted that, in the event that the 2007 Legislature does not pass this proposed legislative package, work would proceed with the DRA flexibilities and the Transparency of pricing and quality. Dr. Allison provided a detailed description of the Premium Assistance proposal, and Dr. Nielsen added that an economic analysis will be completed in conjunction with this process which will outline the cost of each proposal, the populations served, the timeline needed, and other criteria. Next Steps. Dr. Nielsen advised that, upon Board approval of this legislative package and the enabling legislation, she will be meeting with key legislators and the Governor's key staff to finalize details of the proposed legislation, so that introduction can occur yet this week.

- **ACTION:** A motion was made, seconded, and carried to approve the Health For All Kansans Steering Committee's recommendations on the proposed legislative health reform package, for presentation to the 2007 Legislature this week.
- **ACTION:** Motion was made, seconded and carried to support the draft of Substitute for Senate Bill 309.

Process for Advisory Councils. Chair Tilghman stated that the Advisory Councils will begin meeting within the next week and will continue to meet over the next six months to develop options for health reform for Kansas. The Councils will also address the number of underinsured Kansans, childhood obesity, prevention, and health and wellness initiatives.

Review of Meeting Schedules for Advisory Councils by Connie Hubbell, Board Chair

The three Advisory Councils will conduct initial planning meetings the end of March and first week in April; a copy of the meeting schedule was distributed and reviewed. Chairs for each of these Councils have been designated and will be providing progress updates to the KHPA Board and to the Health For All Kansans Steering Committee. The fourth At Large Health Reform Council will meet in a Townhall setting in May and in September. These meetings will be public meetings and all information will be posted on the KHPA website: www.khpa.ks.gov.

- **ACTION:** A motion was made, seconded, and carried to add two new members to the Purchasers Council which are UniCare and Children's Mercy Hospital/Family Health Partners.

Public Comment Period

- A presentation was provided by Dr. Ira Stamm on Transformation and Change in Healthcare.

Adjournment

Next Meeting: Tuesday, April 17, 2007, 8:30 am to 3:30 pm at the Eisenhower State Office Building, 700 SW Harrison, 4th Floor, West Wing Conference Room B, Topeka KS.

Upcoming Agenda Items

- Overview of Mental Health Programs in Kansas – May or June Board Meeting
- Report on Medicaid Managed Care Organizations – June Board Meeting
- Report on KHPA Advisory Councils – April Meeting
- Legislative Update – April Meeting
- Status of Health For All Kansans legislative reform package; enabling legislation – April Meeting